



# Sun Retail Limited

CIN: U51909GJ2007PLC050974

September 3, 2019

To,  
Department of Corporate Services  
Bombay Stock Exchange Limited  
Ground Floor, P. J. Towers,  
Dalal Street,  
Mumbai – 400 001

Dear Sir,

**Sub: Annual Report for the Financial Year 2018-19.**  
**Ref: Sun Retail Limited (Scrip Code: 542025)**

In compliance with Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Annual Report of the Company for the financial year 2018-19 to be approved and adopted by the Members of the Company in the 12<sup>th</sup> Annual General Meeting of the Company going to be held on Saturday 28<sup>th</sup> September, 2019 at 10:00 a.m. at the Registered Office of the Company.

Thanking you,

Yours faithfully,  
FOR, SUN RETAIL LIMITED

*Dharamjit Mori*

**DHARAMJIT MORI**  
**WHOLE TIME DIRECTOR & CFO**  
**DIN: 08038027**



Encl: As above



# Sun Retail Limited

REG: OFFICE: 213/214, Phase-II GIDC, Naroda, Ahmedabad- 382330, Gujarat



**12<sup>th</sup> ANNUAL REPORT**

**2018-19**



**(12<sup>th</sup>) Twelfth Annual General Meeting of the Company:**

**Date : 28<sup>th</sup> September, 2019**

**Day : Saturday**

**Time : 10:00 A.M.**

**Venue: 213/214, Phase-II GIDC, Naroda Ahmedabad- 382330, Gujarat**

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## **General Information:**

### **❖ Board of Directors:**

- 1) Mr. Dharamjit Bhupatsinh Mori : Whole-time Director & CFO
- 2) Mr. Vikram Ishvarbhai Desai : Non-Executive Director
- 3) Mr. Tusharbhai Dineshbhai Donda : Independent Director
- 4) Mr. Janak Prakashbhai Patel : Independent Director
- 5) Mrs. Jalpaben Dilipbhai Dholakiya : Independent Director

### **❖ Statutory Auditor:**

M/s. GMCA & Co. Chartered Accountants  
Ahmedabad

### **❖ Listed at:** Bombay Stock Exchange (BSE)-SME

### **❖ CS & Compliance Officer:**

Mr. Himanshu Surendrakumar Gupta

### **❖ Secretarial Auditor:**

Rohit Periwal & Associates, Practicing Company Secretary  
Ahmedabad

### **❖ Registered Office:**

213/214, Phase-II GIDC, Naroda,  
Ahmedabad- 382330, Gujarat

**E-mail:** [sun\\_retail@yahoo.com](mailto:sun_retail@yahoo.com)

**CIN:** L51909GJ2007PLC050974

**Website:** <http://dhartisingtel.com/>

### **❖ Bankers:**

HDFC Bank Ltd.

The Jain Sahakari Bank Ltd.

Shree Kadi Nagarik Sahakari Bank Ltd.

The Kalol Nagarik Sahakari Bank Ltd.

Punjab National Bank

### **❖ Registrar & Share Transfer Agent:**

Bigshare Services Private Limited  
A-802, Samudra Complex, off C G Road,  
Navrangpura, Near Girish Cold Drinks,  
Ahmedabad 380009, Gujarat, India



# Sun Retail Limited

## NOTICE

NOTICE is hereby given that the 12<sup>th</sup> Annual General Meeting of the Company will be held on Saturday, 28<sup>th</sup> September, 2019 at 10:00 AM at the Registered Office of the Company at 213/214, Phase-II GIDC, Naroda, Ahmedabad- 382330, Gujarat to consider and transact the following business:

### **Ordinary Business:**

- 1) To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March 2019, the Statement of Profit and Loss for the year ended on that date together with the schedules thereon, along with the reports of the Board of Directors and Auditors thereon.
- 2) **To appoint/re-appoint a Director in place of retiring:**  
To appoint a director in place of Mr. Vikram Desai (DIN: 08031739) who retires by rotation and being eligible offers himself for re-appointment.

### **Special Business:**

- 3) **Approval of appointment of Mr. Nalin Johari (PAN: ACCPJ5874H) as Manager of company:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof for the time being in force) read with schedule V to the Companies Act, 2013 and subject to such consent(s), approval(s) and permission(s) as may be required in this regard from any authority and as agreed by the Board of Directors (hereinafter referred to as the Board, which term shall unless repugnant to the context by the Board in this behalf), consent of the Members of the Company be and is hereby accorded to the appointment of Mr. Nalin Johari (PAN: ACCPJ5874H) as a Manager of the Company, for a period of 5 (Five) years with effect from July 23, 2019 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Nalin Johari subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board of Directors or Company Secretary of the Company be and is

hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard.”

**Registered Office:**  
213/214, Phase-II GIDC,  
Naroda, Ahmedabad-382330

**By order of the Board,  
For, Sun Retail Limited**

**Date:** September 03, 2019  
**Place:** Ahmedabad

**Sd/-  
Dharamjit Mori  
Whole Time Director & CFO**

**Notes:**

1. The register of members and share transfer books shall remain closed from Monday September 23, 2019 to Saturday September 28, 2019 (Both days inclusive) for the Annual General Meeting.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY (FORM MGT-11) SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST FORTY EIGHT HOURS BEFORE THE TIME OF THE MEETING.
3. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER.
4. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS/ AUTHORITY, AS APPLICABLE.
5. Members desiring any information as regards to the accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready at the meeting.
6. Relevant documents referred to in the Notice, statutory register and the Statement pursuant to Section 102(1) of the Companies Act, 2013 will be available for inspection by the members at the Registered Office of the Company during normal business hours on working days up to the date of the Annual General Meeting.
7. Members/Proxies should fill the Attendance Slip for attending the Meeting and bring their Attendance Slips to the Meeting.
8. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration) Rules, 2014, which allows the companies to send documents including annual reports and other

intimation by an email. Therefore, members are requested to register their email IDs with the Registrar and Transfer Agent of the Company. The Company is already having email ID of the members holding their shares in Demat through their respective depository participants. The said email ID shall be considered as registered email ID for the said members unless informed otherwise to the company or Registrar and Transfer Agent.

9. Members are requested to address all correspondence pertaining to their securities mentioning either the Folio Number/Client ID or DP ID numbers, as applicable, including any change of address, e-mail if any, to the Registrar and Transfer Agent of the Company viz.:

**Bigshare Services Private Limited**

A-802, Samudra Complex, off C G Road,  
Navrangpura, Near Girish Cold Drinks,  
Ahmedabad 380009, Gujarat, India

10. Explanatory Statement as per Section 102 of the Companies Act, 2013 is mentioned below.

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**Item no.3: Approval of appointment and its terms & conditions of Mr. Nalin Johari (PAN: ACCPJ5874H) as Manager of company- ORDINARY RESOLUTION**

The Board of Directors at its meeting held on 23rd July, 2019 appointed Mr. Nalin Johari (PAN: ACCPJ5874H) as Manager of the Company with effect from 23rd July, 2019 for a period of 5 years, on remuneration upto Rs. 50,000/- (Rupees Fifty Thousand only) per month.

The principal terms and conditions of appointment of Mr. Dharamjit Mori as Whole-Time Director are as follows:

**1) Tenure of Appointment:**

For a period of 5 years commencing from 23<sup>rd</sup> July, 2019 i.e. from July 23, 2019 to July 22, 2024.

**2) Nature of duties:**

- a) The Manager undertakes to engage himself entirely and his utmost endeavors to work, supervise for the sole and exclusive purpose of formulating and submitting a bid to the invitation with a view to the company being awarded the skill training Project and executing the Project for the company, proper usage of funds for executing the skill training Project, take proper care of Indusind Bank account of the company with account number: 201003198767 and the funds in it and should use the funds of that account for executing the skill training project only and not for his other purposes.
- b) Subject always for all purpose and in all respects to the provisions of the Act or any statutory modification thereof for the time being in force and applicable to the duties and obligations to be performed and observed and the powers and authorities to be exercised by the Manager as such and certain restrictions mentioned in particular and under the General supervision, superintendence and control of the Board of Directors of

the Company, the Manager shall have the general conduct of the management of business and financial and other affairs of the Company and exercise such powers, authorities and discretions as are hereby conferred upon and vested in him as such, as well by the Articles of Association and/or the Regulations of the Company for the time being in force and/or as may from time to time delegated by the Board, save and such as are specifically reserved to the exercised by the Company in General Meeting or by the Board.

- c) The Manager undertakes to employ the best of his skill and ability to make his utmost endeavors to promote the interests and welfare of the Company and to conform to and comply with the directions and regulations of the Company and all such orders and directions as may be given to him from time to time by the Board.

**3) Remuneration:** Basic Salary upto Rs. 50,000/- (Rupees Fifty Thousand only) per month based on his performance and assessed by the Board of directors of the company considering the completion stage of skill trailing project allotted to the company or consortium of Sun Retail Limited & Ashray Social welfare Foundation.

The remuneration referred to above is subject to the limit of 5% of the annual net profits of the Company and further subject to the overall limit of 10% of the annual net profits of the Company on the remuneration of the Manager and other Executive Directors of the Company taken together.

Provided, however, that in the event of absence or inadequacy of profit, the Manager shall be entitled to remuneration mentioned above within the overall maximum remuneration specified in Table A of Section II of Schedule V to the Companies Act, 2013.

Apart from the above mentioned details, the below mentioned terms and conditions have been entered into between the Company and the Manager;

- (a) The Manager is also required to adhere with the Code of Conduct, intellectual property, non-competition, no conflict of interest with the Company and maintenance of confidentiality.
- (b) The Manager hereby covenant that during his tenure of office as such, he shall not be interested or otherwise concerned directly, or through his wife and/or minor children, in any selling agency of the Company, without the prior approval thereto, AND THAT upon the contravention of this provision, his appointment as Manager shall cease.
- (c) This appointment may be terminated by fifteen days' notice on either side or the Company paying fifteen days remuneration in lieu of such notice.
- (d) The employment of the Manager may be terminated by the Company without notice or payment in lieu of notice;
- a) if the Manager is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company/entity/person for which he is required to render services; or
- b) in the event of any serious or repeated or continuing breach (after prior warning) or non-observance by the Manager of any of the stipulations to be executed between the Company and the Manager; or
- c) in the event the Board expresses its loss of confidence in the Manager.
- d) In the event the Manager is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his contract on such terms as the Board may consider appropriate in the circumstances.
- (e) Up on the termination by whatever means of the Manager's employment;



- a) the Manager shall immediately tender his resignation from offices held by him in any subsidiaries and associated companies and other entities without claim for compensation for loss of office and in the event of his failure to do so the Company is hereby irrevocably authorised to appoint some person in his name and on his behalf to sign and deliver such resignation or resignations to the Company and to each of the subsidiaries 'and associated companies of which the Manager is at the material time a Director or other officer;
- b) the Manager shall not without the consent of the Company at any time thereafter represent himself as connected with the Company or any of the Subsidiaries or associated companies.
- (f) The Manager's appointment is by virtue of his employment in the Company and his appointment shall be subject to the provisions of the Act.

The copy of Agreement entered into with Mr. Nalin Johari by the Company containing the terms and Conditions of the said appointment is available at the registered office of the Company. Member can inspect the copy of agreement during the business hours of the Company on working days.

The relevant details as required under Schedule V to the Companies Act, 2013 are provided hereunder;

#### **A. General Information**

##### **1. Nature of Industry:**

The company is into the edible oil industry. The major product of the company is groundnut oil.

##### **2. Date or expected date of commencement of commercial production**

The Company was incorporated on May 28, 2007 under the Companies Act, 1956 and it started commercial production soon thereafter.

##### **3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: N.A.**

##### **1. Financial performance of the Company for F.Y. 2018-19 based on given indicators**

<b>SR. NO.</b>	<b>Particulars</b>	<b>(Rs.)</b>
1.	Income for the year	442499598
2.	Profit before Interest, Depreciation and Tax	(3706036)
3.	Finance Charges	18867
4.	Depreciation	464936
5.	Profit before Taxes	(4189839)
6.	Provisions for Taxation/ Deferred Tax	(19576)
7.	Net Profit/(Loss) for the Current Year	(4170263)

##### **B. Foreign investments or collaborations, if any: N.A.**

##### **Information about the appointee:**

##### **1. Background details:**

Mr. Nalin Johari, 42 years of age, is PGDBM by qualification & having experience of more than 18 years in the field of Marketing, Admin Management & Social Welfare.

##### **2. Past remuneration**

N.A

##### **3. Recognition or awards**

Not Applicable

**4. Job profile and his suitability**

Mr. Nalin Johari has experience of more than 18 years in the field of Marketing, Admin Management & Social Welfare.

**5. Remuneration proposed**

Basic Salary upto Rs. 50,000/- (Rupees Fifty Thousand only) per month based on his performance and assessed by the Board of directors of the company considering the completion stage of skill trailing project allotted to the company or consortium of Sun Retail Limited & Ashray Social welfare Foundation.

**6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:**

Taking into consideration the size of the Company, the profile of Mr. Nalin Johari, Manager of the Company, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level incumbents, in other companies.

**7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:**

Beside the remuneration proposed, Mr. Nalin Johari, Manager of the Company, do not have any other pecuniary relationship with the Company.

Further he does not have any relationship with any of the managerial personnel.

In compliance with the provisions of Sections 196, 197 and other applicable provisions of the Act read with Schedule V to the Act, the terms of remuneration specified above are now being placed before the members for their approval. Further, the approval of the Members for the remuneration proposed herein above shall be valid for a period of 5 years w.e.f. 23<sup>rd</sup> July, 2019. The Board recommends this ordinary resolution for the approval of the Shareholders. Except Mr. Nalin Johari himself and his relatives to the extent of their shareholding in the Company, none of the directors or any key managerial personnel or any relative of any of the directors/key managerial personnel of the Company is, in anyway, concerned or interested in the above Resolution.

**Registered Office:**  
213/214, Phase-II GIDC,  
Naroda, Ahmedabad-382330

**By order of the Board,  
For, Sun Retail Limited**

**Date:** September 03, 2019  
**Place:** Ahmedabad

**Sd/-  
Dharamjit Mori  
Whole Time Director & CFO**

**INFORMATION ABOUT THE DIRECTORS WHO ARE PROPOSED TO BE APPOINTED/  
RE-APPOINTED AT THE 12<sup>th</sup> ANNUAL GENERAL MEETING AS PER REGULATION 36(3) OF SEBI  
(LODR), 2015 FORMING PART OF THE NOTICE CONVENING THE ANNUAL GENERAL MEETING  
OF THE COMPANY.**

<b>Particulars</b>	Mr. VIKRAM ISHVARBHAI DESAI
<b>Director Identification Number.</b>	08031739
<b>Date of Birth</b>	16/12/1989
<b>Age.</b>	29 yrs
<b>Educational Qualification.</b>	SSC
<b>Experience (No. of Years)</b>	7 Yrs.
<b>Business field in which Experience.</b>	Logistics Business
<b>Date of Appointment as Director in the Company.</b>	01/01/2018
<b>Directorship held in any other Company.</b>	Nil
<b>Member of any Committees of the Directors in the Company.</b>	Audit Committee Nomination & Remuneration Committee Stakeholders Relationship Committee
<b>Member of any committees of the Directors in other Companies with names of the Company.</b>	Nil
<b>Member of any Trade Association/ Charitable Organization/ NGOs etc.</b>	N.A.

## **BOARD REPORT**

To,  
The Members,  
**Sun Retail Limited,**  
**Ahmedabad**

Your Directors have pleasure in presenting the 12<sup>th</sup> Annual Report of the Company together with the Audited Statements of Accounts for the year ended March 31, 2019.

### **1. FINANCIAL RESULTS:**

The Company's financial performance for the year under review along with previous year's figures is given hereunder

**(In Rs.)**

<b>PERTICULARS</b>	<b>FOR THE YEAR ENDED ON 31.03.2019</b>	<b>FOR THE YEAR ENDED ON 31.03.2018</b>
Net Income from Business Operations	442413382.32	650921278.43
Other Income	86216.00	2297035.00
<b>Total Income</b>	<b>442499598.32</b>	<b>653218313.43</b>
Profit / (loss) before depreciation & tax	(3724903.00)	4566627.00
Less Depreciation	464936.00	287873.00
Profit before Tax	(4189839.00)	4278754.00
Less Tax Expenses:	(19576.00)	1110633.00
Net Profit after Tax	<b>(4170263.00)</b>	<b>3168121.00</b>
Basic and diluted EPS	<b>(0.57)</b>	<b>1.48</b>

### **2. STATE OF AFFAIRS:**

The Company is engaged in the business of branding and trading of various edible oils. There has been no change in the business of the Company during the financial year ended 31<sup>st</sup> March, 2019. Further in addition to the existing business, company is also applying for skill training projects of government in consortium with Ashray Social Welfare Foundation, who is going to execute the projects on behalf of the company.

The highlights of the Company's performance are as under:-

- i. Revenue from operations decreased from Rs. 65,09,21,278/- to Rs. 44,24,13,382/- due to very high fluctuations in the prices of the commodities applicable to the company.
- ii. Net Profit for the year decreased from Rs. 31,68,121/- to Net Loss of Rs. 41,70,263/- due to few IPO Exepnses & Volatility in the commodity market.
- iii. Earnings per share have decreased from Rs. 1.48 to (Rs. 0.57).

### **3. SHARE CAPITAL:**

As on 31.03.2019 the paid up Equity Share capital of the Company is Rs. 9,69,80,000/-.

During the year under review, the company had raised funds through Initial Public Offer (IPO) and has issued 43,98,000 equity shares of face value of Rs. 10/- each at a price of Rs.

23/- per equity share. The equity shares of the company got listed on BSE SME exchange on October 16, 2018.

During the year under review, the company has neither issued any shares with differential voting rights nor granted any stock Option nor any sweat Equity Shares.

**4. DIVIDEND:**

In absence of adequate profits, Dividend is not recommended for the financial year ended on 31.03.2019.

**5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

**6. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES :**

The Company does not have any Subsidiary, Joint Venture or Associate Company.

However following company is the holding company of our company:

Sr. No.	Name of the company	Nature of Relation
1	TJR AGROCOM PRIVATE LIMITED	Holding Company

**7. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which these financial statements relate on the date of this report.

However Mr. Dharamjit Mori, Whole time Director of the company is also appointed as Chief Financial Officer (CFO) of the company w.e.f. 16<sup>th</sup> April, 2019.

& Mr. Nalin Ranbahadur Johari is appointed as Manager of the company w.e.f. 23<sup>rd</sup> July, 2019.

**8. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are annexed as Annexure "A".

**9. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:**

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

**10. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The provisions of section 135 of the companies act, 2013 are not applicable to the company considering the networth, turnover and net profit of the company.

**11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

**12. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company. The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

**13. STATUTORY AUDITORS:**

The Auditor, M/s. G M C A & Co., Chartered Accountants, (FRN: 109850W) is appointed as Statutory Auditor of the Company to hold office from the 10<sup>th</sup> AGM to the 15<sup>th</sup> AGM of the company for a term of five years in terms of the first proviso to Section 139 of the Companies Act, 2013.

Further the observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self explanatory and do not calls for any further comment.

**14. STATUTORY AUDITOR'S REPORT & OBSERVATIONS:**

The report of the Statutory Auditors of the Company is annexed herewith.

The auditors have not reported any frauds under sub section 12 of section 143 other than those which are reportable to the Central Government.

There are no qualifications, reservations or adverse remarks made by the Statutory Auditor except:

1) Income Tax of Rs. 12,69,540/- of AY 2018-19, & interest thereon is still pending to pay:

- Due to tight liquidity on account of high volatility in the business segment.

**15. AUDIT COMMITTEE AND VIGIL MECHANISM:**

The Audit Committee comprises of:

Mrs. Jalpaben Dilipbhai Dholakiya	: Independent Director
Mr. Tusharbhai Dineshbhai Donda	: Independent Director
Mr. Vikram Ishvarbhai Desai	: Non-Executive Director

During the year four Audit Committee Meetings were held. In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at [www.dhartisingtel.com](http://www.dhartisingtel.com)

The functioning of the Whistle Blower mechanism is reviewed by the Audit Committee on regular basis.

**16. ANNUAL RETURN:**

The extract of Annual Return in Form No.MGT-9 pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **Annexure "B"** and forms part of this Report and has been placed at website of the Company at [www.dhartisingtel.com](http://www.dhartisingtel.com)

**17. SECRETARIAL AUDITOR:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/S. Rohit Periwal & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company.

**18. SECRETARIAL AUDIT REPORT & OBSERVATIONS:**

The Secretarial Audit Report of Secretarial Auditor is annexed herewith.

There are no qualifications, reservations or adverse remarks made by the Statutory Auditor except:

- 1) The Company is yet to appoint internal auditors as specified under the provisions of Section 138 of the Companies Act, 2013:
  - Company is in the process of appointing an internal auditor and likely to be completed soon.
- 2) A temporary non-compliance in composition of Board of Directors regarding appointment of Chief Financial Officer for interim period of 5 months under the provision of Section 203 of the Companies Act, 2013:
  - Company has already complied with the provisions of the act by appointing Mr. Dharamjit Mori as Chief Financial Officer of the company w.e.f. 16<sup>th</sup> April, 2019.
- 3) The Company yet to pay Income Tax dues for the Assessment year 2018-19 as per Income Tax Act, 1961.
  - Due to tight liquidity on account of high volatility in the business segment.
- 4) The company yet to pay stamp duty on allotment of shares in Initial Public Offer (IPO).
  - The company is yet to pay the stamp duty and the board of directors took note of the same and will pay the same as early as possible.
- 5) The Company has failed to comply with the provisions of Section 134 of the Companies Act, 2013.
  - The Company assure to comply the said provisions in future.

**19. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:**

07 (Seven) Board Meetings were held during the financial year ended 31<sup>st</sup> March, 2019 on the following dates:

The maximum gap between any two Board Meetings was less than one Hundred and Twenty days.

Sr. No.	Date of meeting	Total Directors	Directors Present
1.	21/04/2018	5	5
2.	01/06/2018	5	5
3.	20/09/2018	5	5
4.	24/09/2018	5	5
5.	11/10/2018	5	5
6.	01/11/2018	5	5
7.	22/02/2019	5	5

## **20. DIRECTOR RESPONSIBILITY STATEMENT:**

Your Director wish to inform that the Audited Accounts containing financial statements for the financial year 2018-19 are in full conformity with the requirements of the Companies Act, 2013. They believe that the financial statement reflect fairly, the form and substance of transactions carried out during the year and reasonably present the Company's financial condition and results of operations.

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility statement:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis; and
- e. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **21. DEPOSITS:**

The company has not invited, accepted or renewed any deposit within the meaning of Chapter V other than exempted deposit as prescribed under the provisions of the Company Act, 2013 and the rules framed thereunder, as amended from time to time. Hence there are no particulars to report about the deposit falling under Rule 8(5)(v) and (vi) of the Companies (Accounts) Rules, 2014.

## **22. DIRECTORS / KEY MANAGERIAL PERSONNEL:**



**a. RETIREMENT BY ROTATION:**

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr. Vikram I. Desai, Director shall retire by rotation in the ensuing Annual General Meeting and being eligible for re-appointment has offered his candidature for director.

**b. CHANGES IN BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:**

Following changes were occurred during the year in the composition of board of directors and Key Managerial Personnel:

S r.	Name of Director & KMP	Designation on effective date	Effective date of change	Nature of change
1	Tusharbhai Dineshbhai Donda	Director	08/07/2018	Change in Designation
2	Jalpaben Dilipbhai Dholakiya	Additional Director	08/07/2018	Change in Designation
3	Janak Prakashbhai Patel	Company Secretary	08/07/2018	Change in Designation
4	Himanshu Surendrakumar Gupta	CFO	31/10/2018	Cessation

**c. BOARD EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried an annual performance evaluation of its own performance and the directors individually.

**d. REMUNERATION POLICY:**

The Board has on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining, qualifications, positive attributes and independence of a Director and also a policy for remuneration of directors, key managerial personnel and senior management. The policy is available at the website of company at [www.dhartisingtel.com](http://www.dhartisingtel.com)

**e. DECLARATION BY INDEPENDENT DIRECTORS:**

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

**23. PARTICULARS OF CONTRACTS WITH RELATED PARTIES:**

All related party transactions that were entered into during the financial year ended 31st March, 2019 were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were attracted. Further, there are few materially significant related party transactions during the year under review made by the Company with Promoters, Directors, or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, those are disclosed in Form AOC-2. However, the disclosure of transactions with related party for the year, as per Accounting Standard -18 Related Party Disclosures is given in Note no 24 to the Balance Sheet as on 31st March, 2019.

**24. CORPORATE GOVERNANCE:**

Provisions relating to Corporate Governance Report under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to SME listed Company hence the same has not been annexed to the Board's Report.

**25. MANAGEMENT DISCUSSION AND ANALYSIS:**

The Management Discussion and Analysis Report is appended as Annexure "C" to this Report.

**26. PARTICULARS OF EMPLOYEES:**

Disclosure under the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year.

- Not Applicable as company don't have any director with fixed monthly pay.

b) The percentage increase in the remuneration of each director, Chief Executive Officer, Chief Financial Officer and Company Secretary, if any in the financial year.

- During the FY 2018-19 there was nil (0%) increase in the remuneration of WTD, CFO, CS and other Non-Executive Directors.

c) The percentage increase in the median remuneration of employees in the financial year.

- Median Remuneration is Rs. 1,59,000/- and average increase is 0% for the F.Y. 2018-19.

d) The number of permanent employees on the rolls of the Company as on 31.03.2019.

- 03 (Three)

e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

- Average 5.88% increase in salaries of Employees and 0% increase in Managerial Remuneration during F.Y. 2018-19. As there is no increment in remuneration of managerial person during the year, explanation is not required to be given.

f) Affirmation that the remuneration is as per the remuneration policy of the company.

- The Company's remuneration policy is driven by the success of the Company during the year under review. The Company affirms that the remuneration is as per remuneration policy of the Company.

**27. COST AUDITORS:**

The section 148 read with Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 are not applicable to the Company Hence, the Board of Directors of your company had not appointed Cost Auditor for obtaining Cost Compliance Report of the company for the financial year 2018-19.

**28. COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS :**

The Company has complied with the provisions of Secretarial Standards (I & II) issued by the Institute of Company Secretaries of India and approved by the Central Government under section 118(10) of the Companies Act, 2013.

**29. PREVENTION OF INSIDER TRADING:**

Your company has adopted the “Code of Conduct on Prohibition of insider trading “and “Code of Conduct for Directors and Senior Management Personnel” for regulating the dissemination of Unpublished Price Sensitive Information and trading in security by insiders.

**30. INDUSTRIAL RELATIONS (HUMAN RESOURCES):**

During the period under review, the personal and industrial relations with the employees remained cordial in all respects. The management has always carried out systematic appraisal of performance and imparted training at periodic intervals. The Company recognizes talent and has judiciously followed the principle of rewarding performance.

**31. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:**

The Company is committed to provide a safe and conducive work environment to its employees during the year under review. The company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of women at the workplace (Prevention, Prohibition & Redressal) Act, 2013.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**32. ACKNOWLEDGEMENTS**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

**Date: September 03, 2019**

**Place: Ahmedabad**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-  
DHARAMJIT MORI  
WHOLE TIME DIRECTOR & CFO  
DIN: 08038027**

**Sd/-  
VIKRAM DESAI  
DIRECTOR  
DIN: 08031739**

## **“Annexure A”**

### **CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

(Particulars pursuant to the Companies (Accounts) Rules, 2014)

#### **CONSERVATION OF ENERGY**

- We continue to strengthen our energy conservation efforts. Inter alia the following steps have been taken to reduce energy consumption:
  - Use of energy efficient devices/motors for running of machineries.
  - Standardization of utility pipelines leading to optimum utilization.
- The process is ongoing and the Engineering team is working on various measures to conserve this scarce resource.

#### **RESEARCH & DEVELOPMENT**

- The Company continued its efforts in the area of improvement of quality/process cycle/product design.
- We continue to focus on product and process improvement and collaborate with product vendors to co-create business solutions on customer specific themes.

#### **TECHNOLOGY ABSORPTION**

- Continuous efforts are made with an Objective to achieve productivity, reduction in production cost, reduction in down time for maintenance and curtailment of maintenance cost.
- Various Efforts are made towards technology absorption, adaptation and innovation.

#### **FOREIGN EXCHANGE EARNING AND OUTGO**

- Not applicable as no foreign currency transaction is occurred during the year under review.

**Date: September 03, 2019**

**Place: Ahmedabad**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-  
DHARAMJIT MORI  
WHOLE TIME DIRECTOR & CFO  
DIN: 08038027**

**Sd/-  
VIKRAM DESAI  
DIRECTOR  
DIN: 08031739**



a	INDIVIDUAL / HUF	0	0	0	0.00	0	0	0	0.00	0.00
B	Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
c	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
d	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
e	ANY OTHERS (Specify)	529869	0	529869	99.98	529869	0	529869	54.64	45.34
		0		0		0		0		
1	GROUP COMPANIES	529869	0	529869	99.98	529869	0	0	54.64	45.34
		0		0		0				
2	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
3	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL</b>	<b>529869</b>	<b>0</b>	<b>529869</b>	<b>99.98</b>	<b>529869</b>	<b>0</b>	<b>529869</b>	<b>54.64</b>	<b>45.34</b>
	<b>:</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		
<b>(A) Shareholding of Promoter and Promoter Group2</b>										
<b>2</b>	<b>Foreign</b>									
a	BODIES CORPORATE	0	0	0	0.00	0	0	0	0.00	0.00
b	INDIVIDUAL	0	0	0	0.00	0	0	0	0.00	0.00
c	INSTITUTIONS	0	0	0	0.00	0	0	0	0.00	0.00
d	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
e	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>:</b>									
	<b>Total Public Shareholding</b>	<b>529869</b>	<b>0</b>	<b>529869</b>	<b>99.98</b>	<b>529869</b>	<b>0</b>	<b>529869</b>	<b>54.64</b>	<b>45.34</b>
		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		
<b>(B) Public shareholding</b>										
<b>3</b>	<b>Institutions</b>									
a	Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
b	FINANCIAL INSTITUTIONS / BANKS	0	0	0	0.00	0	0	0	0.00	0.00
c	MUTUAL FUNDS / UTI	0	0	0	0.00	0	0	0	0.00	0.00
d	VENTURE CAPITAL FUNDS	0	0	0	0.00	0	0	0	0.00	0.00
e	INSURANCE COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
f	FII'S	0	0	0	0.00	0	0	0	0.00	0.00
g	FOREIGN VENTURE	0	0	0	0.00	0	0	0	0.00	0.00

	CAPITAL INVESTORS									
h	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
i	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
j	FOREIGN PORTFOLIO INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
k	ALTERNATE INVESTMENT FUND	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>(B) Public shareholding</b>										
<b>4</b>	<b>Non-institutions</b>									
a	BODIES CORPORATE	0	0	0	0.00	130800 0	0	130800 0	13.49	(13.49)
b	INDIVIDUAL	1200	110	1310	0.02	181200	110	181310	1.87	(1.84)
1	(CAPITAL UPTO TO Rs. 1 Lakh)	1200	110	1310	0.02	181200	110	110	1.87	(1.84)
c						235800 0	0	235800 0	24.31	(24.31)
1	(CAPITAL GREATER THAN Rs. 1 Lakh)					235800 0	0	0	24.31	(24.31)
d	ANY OTHERS (Specify)	0	0	0	0.00	0	0	0	0.00	0.00
1	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
2	CLEARING MEMBER	0	0	0	0.00	546000	0	0	5.63	(5.63)
3	NON RESIDENT INDIANS (NRI)	0	0	0	0.00	6000	0	0	0.06	(0.06)
4	DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
5	EMPLOYEE	0	0	0	0.00	0	0	0	0.00	0.00
6	OVERSEAS BODIES CORPORATES	0	0	0	0.00	0	0	0	0.00	0.00
7	UNCLAIMED SUSPENSE ACCOUNT	0	0	0	0.00	0	0	0	0.00	0.00
8	IEPF	0	0	0	0.00	0	0	0	0.00	0.00
e	QUALIFIED FOREIGN INVESTOR	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL :</b>	<b>1200</b>	<b>110</b>	<b>1310</b>	<b>0.02</b>	<b>439920 0</b>	<b>110</b>	<b>439931 0</b>	<b>45.36</b>	<b>(45.34)</b>
	<b>Total Public Shareholding</b>	<b>1200</b>	<b>110</b>	<b>1310</b>	<b>0.02</b>	<b>439920 0</b>	<b>110</b>	<b>439931 0</b>	<b>45.36</b>	<b>(45.34)</b>
<b>(C) Shares held by Custodians and against which Depository Receipts have been issued</b>										

5										
f	SHARES HELD BY CUSTODIANS	0	0	0	0.00	0	0	0	0.00	0.00
9	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
10	Public	0	0	0	0.00	0	0	0	0.00	0.00
	<b>SUB TOTAL :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total Public Shareholding</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>GRAND TOTAL</b>	<b>5299890</b>	<b>110</b>	<b>5300000</b>	<b>100.00</b>	<b>9697890</b>	<b>110</b>	<b>9698000</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding of Promoter**

S N	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	<b>TJR AGROCOM PRIVATE LIMITED</b>	5298690	99.98%	NIL	5298690	54.64%	NIL	-45.34%

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

S N	Particulars	Date	Reason	Shareholding		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
2	<b>TJR AGROCOM PRIVATE LIMITED</b>						
	At the beginning of the year			<b>5298690</b>	<b>99.98%</b>	<b>5298690</b>	<b>99.98%</b>
	Changes during the year			0	0.00%	0	0.00%
				0	0.00%	0	0.00%
					0.00%		0.00%
	At the end of the year			5298690	54.64%	5298690	54.64%

**(iv) Shareholding Pattern of top ten Shareholders**

*(Other than Directors, Promoters and Holders of GDRs and ADRs):*



SR NO	Name	Shareholding		Date	Increase/Decrease in Share holding	Region	Cumulative Shareholding during the year	
		No. of Shares At the Beginning (01.04.2018/ end of year 31.03.2019)	% total Shares of the Company				No of Shares	% total Shares of the Company
1	ASE CAPITAL MARKETS LTD.	0.00	0.00	31-Mar-2018		Transfer		0.00
			0.74	19-Oct-2018	72,000	Transfer	72,000	0.74
			8.48	26-Oct-2018	750,000	Transfer	822,000	8.48
			9.90	02-Nov-2018	138,000	Transfer	960,000	9.90
			9.96	16-Nov-2018	6,000	Transfer	966,000	9.96
			7.49	30-Nov-2018	-240,000	Transfer	726,000	7.49
			8.23	07-Dec-2018	72,000	Transfer	798,000	8.23
			7.80	14-Dec-2018	-42,000	Transfer	756,000	7.80
			8.04	28-Dec-2018	24,000	Transfer	780,000	8.04
			7.92	31-Dec-2018	-12,000	Transfer	768,000	7.92
			7.61	04-Jan-2019	-30,000	Transfer	738,000	7.61
			7.86	11-Jan-2019	24,000	Transfer	762,000	7.86
			7.80	18-Jan-2019	-6,000	Transfer	756,000	7.80
			8.04	01-Feb-2019	24,000	Transfer	780,000	8.04
			6.81	08-Feb-2019	-120,000	Transfer	660,000	6.81
			6.68	15-Feb-2019	-12,000	Transfer	648,000	6.68
			7.42	01-Mar-2019	72,000	Transfer	720,000	7.42
			7.61	08-Mar-2019	18,000	Transfer	738,000	7.61
			8.23	15-Mar-2019	60,000	Transfer	798,000	8.23
			9.16	22-Mar-2019	90,000	Transfer	888,000	9.16
			9.84	29-Mar-2019	66,000	Transfer	954,000	9.84
		954000.00	9.84	30-Mar-2019		Transfer	954,000	9.84
2	NNM SECURITIES	0.00	0.00	31-Mar-2018		Transfer		0.00

			3.77	11-Oct-2018	366,000	Transfer	366,000	3.77
			3.65	19-Oct-2018	-12,000	Transfer	354,000	3.65
			3.46	26-Oct-2018	-18,000	Transfer	336,000	3.46
			3.71	02-Nov-2018	24,000	Transfer	360,000	3.71
			3.77	09-Nov-2018	6,000	Transfer	366,000	3.77
			3.71	23-Nov-2018	-6,000	Transfer	360,000	3.71
			3.77	30-Nov-2018	6,000	Transfer	366,000	3.77
			3.71	07-Dec-2018	-6,000	Transfer	360,000	3.71
			3.77	14-Dec-2018	6,000	Transfer	366,000	3.77
			3.84	28-Dec-2018	6,000	Transfer	372,000	3.84
			3.77	31-Dec-2018	-6,000	Transfer	366,000	3.77
			3.84	11-Jan-2019	6,000	Transfer	372,000	3.84
			3.90	01-Feb-2019	6,000	Transfer	378,000	3.90
			3.77	08-Feb-2019	-12,000	Transfer	366,000	3.77
			3.84	15-Feb-2019	6,000	Transfer	372,000	3.84
			3.77	22-Feb-2019	-6,000	Transfer	366,000	3.77
			3.71	08-Mar-2019	-6,000	Transfer	360,000	3.71
			3.77	29-Mar-2019	6,000	Transfer	366,000	3.77
		366000.00	3.77	30-Mar-2019		Transfer	366,000	3.77
3	KHUSHBOO VANRAJ KAHOR	0.00	0.00	31-Mar-2018		Transfer		0.00
			2.23	11-Oct-2018	216,000	Transfer	216,000	2.23
			2.97	26-Oct-2018	72,000	Transfer	288,000	2.97
			3.16	02-Nov-2018	18,000	Transfer	306,000	3.16
			3.22	16-Nov-2018	6,000	Transfer	312,000	3.22
			3.34	21-Dec-2018	12,000	Transfer	324,000	3.34
			3.28	28-Dec-2018	-6,000	Transfer	318,000	3.28
			3.34	04-Jan-2019	6,000	Transfer	324,000	3.34
			3.46	18-Jan-2019	12,000	Transfer	336,000	3.46

			3.40	01-Mar-2019	-6,000	Transfer	330,000	3.40
			3.03	08-Mar-2019	-36,000	Transfer	294,000	3.03
			2.91	15-Mar-2019	-12,000	Transfer	282,000	2.91
			3.03	29-Mar-2019	12,000	Transfer	294,000	3.03
		294000.00	3.03	30-Mar-2019		Transfer	294,000	3.03
4	HARSH S JHAVERI	0.00	0.00	31-Mar-2018		Transfer		0.00
			2.72	30-Nov-2018	264,000	Transfer	264,000	2.72
			2.78	08-Mar-2019	6,000	Transfer	270,000	2.78
		270000.00	2.78	30-Mar-2019		Transfer	270,000	2.78
5	HITESH H. ASHRA	0.00	0.00	31-Mar-2018		Transfer		0.00
			2.85	26-Oct-2018	276,000	Transfer	276,000	2.85
			2.78	21-Dec-2018	-6,000	Transfer	270,000	2.78
		270000.00	2.78	30-Mar-2019		Transfer	270,000	2.78
6	VICKY R JHAVERI	0.00	0.00	31-Mar-2018		Transfer		0.00
			2.66	11-Oct-2018	258,000	Transfer	258,000	2.66
			2.72	02-Nov-2018	6,000	Transfer	264,000	2.72
		264000.00	2.72	30-Mar-2019		Transfer	264,000	2.72
7	JITENDRAKUMAR GHEVARCHAND JAIN	0.00	0.00	31-Mar-2018		Transfer		0.00
			3.28	11-Oct-2018	318,000	Transfer	318,000	3.28
			2.97	30-Nov-2018	-30,000	Transfer	288,000	2.97
			2.35	07-Dec-2018	-60,000	Transfer	228,000	2.35
		228000.00	2.35	30-Mar-2019		Transfer	228,000	2.35
8	SANGITABEN JITENDRAKUMAR JAIN	0.00	0.00	31-Mar-2018		Transfer		0.00
			3.34	11-Oct-2018	324,000	Transfer	324,000	3.34
			2.54	30-Nov-2018	-78,000	Transfer	246,000	2.54
			1.92	07-Dec-2018	-60,000	Transfer	186,000	1.92
			1.86	22-Mar-2019	-6,000	Transfer	180,000	1.86
		180000.00	1.86	30-Mar-		Transfer	180,000	1.86

				2019				
9	BEELINE BROKING LIMITED	0.00	0.00	31-Mar-2018		Transfer		0.00
			0.68	19-Oct-2018	66,000	Transfer	66,000	0.68
			0.00	26-Oct-2018	-66,000	Transfer		0.00
			0.43	01-Mar-2019	42,000	Transfer	42,000	0.43
			1.18	08-Mar-2019	72,000	Transfer	114,000	1.18
			1.11	15-Mar-2019	-6,000	Transfer	108,000	1.11
			1.61	29-Mar-2019	48,000	Transfer	156,000	1.61
		156000.00	1.61	30-Mar-2019		Transfer	156,000	1.61
10	SHREE VISHWAMURTE TRADINVEST PVT LD	0.00	0.00	31-Mar-2018		Transfer		0.00
			1.18	08-Feb-2019	114,000	Transfer	114,000	1.18
			1.11	29-Mar-2019	-6,000	Transfer	108,000	1.11
		108000.00	1.11	30-Mar-2019		Transfer	108,000	1.11

**(v) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	HIMANSHU GUPTA						
	At the beginning of the year			100	0.00%	100	
	Changes during the year				0.00%		0.00%
	At the end of the year			100	0.00%	100	0.00%

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	NIL	38,655,100.00	NIL	38,655,100.00
ii) Interest due but not paid	-	-		-

iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	NIL	38,655,100.00	NIL	38,655,100.00
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	16,356,400.00		16,356,400.00
* Reduction	-	27,635,100.00		27,635,100.00
Net Change	NIL	(11,278,700.00)	NIL	(11,278,700.00)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	27,376,400.00	-	27,376,400.00
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	-			-
<b>Total (i+ii+iii)</b>	NIL	27,376,400.00	NIL	27,376,400.00

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		DHARAMJIT MORI	NIL	(Rs)
		Whole Time Director		
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	15,000.00		15,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-		-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961			-
2	Stock Option	NIL	NIL	-
3	Sweat Equity	NIL	NIL	-
4	Commission	NIL	NIL	-
	- as % of profit			-
	- others, specify			-
5	Others, please specify	NIL	NIL	-
	Total (A)	15,000.00	-	15,000.00
	Ceiling as per the Act*	84,00,000.00		84,00,000.00

\* Pursuant to Section II-A Part II Schedule V to the Companies Act, 2013.

##### B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount
					(Rs)
1	Independent Directors	Tusharbhai Dineshbhai	Janak Prakashbhai	Jalpaben Dilipbhai	

		Donda	Patel	Dholakiya	
	Fee for attending board/committee meetings	35,000.00	35,000.00	35,000.00	1,05,000.00
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	35,000.00	35,000.00	35,000.00	1,05,000.00
2	Other Non-Executive Directors	<b>Vikram Ishvarbhai Desai</b>			-
	Fee for attending board/committee meetings	6,000.00			6,000.00
	Commission				-
	Others, please specify				-
	Total (2)	6,000.00	-	-	6,000.00
	Total (B)=(1+2)	-	-	-	1,11,000.00
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act				

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
		Name	Himanshu Gupta		(Rs)
		Designation	CEO	CS	
1	Gross salary	NA	NA	NA	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		3,60,000.00		3,60,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-		-
4	Commission				
	- as % of profit				-
	- others, specify				-
5	Others, please specify	-	-		-

Total	-	3,60,000.00	-	3,60,000.00
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**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
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**A. COMPANY**

Penalty			NIL	NIL	NIL	NIL
Punishment						
Compounding						

**B. DIRECTORS**

Penalty			NIL	NIL	NIL	NIL
Punishment						
Compounding						

**C. OTHER OFFICERS IN DEFAULT**

Penalty			NIL	NIL	NIL	NIL
Punishment						
Compounding						

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Date: September 03, 2019

Place: Ahmedabad

Sd/-  
DHARAMJIT MORI  
WHOLE TIME DIRECTOR & CFO  
DIN: 08038027

Sd/-  
VIKRAM DESAI  
DIRECTOR  
DIN: 08031739

**FORM NO. AOC.2**

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

**1. Details of contracts or arrangements or transactions not at arm's length basis**

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting
Not Applicable							

**2. Details of material contracts or arrangement or transactions at arm's length basis**

Name(s) of the related party	Nature of Relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any:
TJR AGROCOM PVT. LTD	PROMOTER	LEAVE & LICENSE AGREEMENT	One time executed on 21.09.2018	FOR A PERIOD OF 20 YEARS	To start the manufacturing activity	20.09.2018	Rs. One crore through Bank and 3300000 equity shares of Rs. 10/- each against full and final payment in advance.

**Date: September 03, 2019**  
**Place: Ahmedabad**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

Sd/-  
**DHARAMJIT MORI**  
**WHOLE TIME DIRECTOR & CFO**

Sd/-  
**VIKRAM DESAI**  
**DIRECTOR**



**Annexure –C**  
**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

**1. INDUSTRY STRUCTURE AND DEVELOPEMENT:**

Our company is engaged in the business of trading into refined/filtered edible oils. Our major products include cottonseed oil, groundnut oil, sunflower oil. Our Company also performs activity of bulk trading of palmolein oil and soyabean oil. However major part of India's Edible Oil demand has been supported by equivalent increase in imports. Since 2012-13, out of the 6 mn tons of incremental demand has parallely seen 5 mn tons of import increment. Indian edible oil import has grown at 8.4% CAGR over last decade. Palm oil has been the main edible oil imported in India. Off lately, Soybean oil imports have also increased sharply. Vegetable oils form over half of the total Agricultural import in India. Despite being the 5<sup>th</sup> largest oilseed crop producing country in the world, India is also one of the largest importers of vegetable oils today.

**2. OPPORTUNITIES AND OUTLOOK:**

India is a potential market for edible oils because of its domestic consumption. However, the deficit between production and consumption of edible oils is increasing rapidly, even after importing millions of tonnes of oil. The government should increase the oilseed production and solve the problems faced by the edible oil market.

For edible oil market, there can be major market opportunities in the recent time because the paradigm of health concern for a growing number of Indian consumers has largely shifted.

The oilseed cultivation need to be promoted to under utilized farming locations such as the eastern India, where more than 15 million hectares under low land rice is one of the opportunities for increasing the area under oilseeds. The inter cropping technique can be used in nearly 45 million hectares under widely spaced crops like sugarcane, maize, cotton etc. Extending oilseed cultivation to under utilized farming locations such as the rice fallows of eastern India and in some coastal regions, where more than 15 million hectares under low land rice is one of the opportunities for increasing the area under oilseeds

**3. RISK, CONCERNS AND THREATS:**

The annual oilseed production of the country is faced with high degree of variation as nearly 76% of the oilseeds area is under rainfed conditions and therefore subjected to uncertainties of moisture availability. Availability of quality seeds of improved varieties and hybrids is grossly inadequate and is one of the major constraints in enhancing the oilseed production. The cost of vegetable oil processing in India is very high as compared to the countries like China and USA mainly due to smaller capacities, low technical efficiency and low capacity utilization. Additional inefficiency arises from non-integration of solvent extraction units with expeller units; As a result, significant amounts of expeller cake are not solvent extracted resulting in considerable losses of oil and meal

products. The lack of adequate integration between expelling and solvent extraction units alone is costing the country Rs.2500 crores annually. The fragmentation, low technical efficiency and excess capacity of India's oilseed processing industry are largely the result of regulatory and trade policies followed by the government.

#### **4. INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY:**

The Company ensures the safety and protection of its assets by having implemented well defined policies and their implementation in a well efficient manner. The board of the Company is always well informed regarding the operations of the company. The company always ensures the dissemination of information through proper channels in a professional manner. The management takes regular recommendations and advises from the reliable professionals having experience in their fields, in order to efficiently discharge responsibilities by giving hands on facts, details and recommendations concerning the activities covered for audit and reviewed by it during the year. The conclusions of internal audit reports and effectiveness of internal control measures is reviewed by top management and audit committee of the Company.

#### **5. FINANCIAL PERFORMANCE:**

##### **A. Standalone Financial Performance:**

###### **(i) Net Sales and Other Income:**

Net Sales and other income for the year under review decreased from Rs. 650921278.43/- to 442413382.32/-.

###### **(ii) Expenditure:**

The total expenditure decreased from Rs. 648939559.12/- to 446689437.44/- for the financial year 2018-19.

##### **B. Profit before Tax:**

The company has made loss before tax of Rs. 4189839/- for the financial year 2018-19.

###### **(iii) Profit after tax:**

The company has incurred net loss of Rs. 4170263/- for the financial year 2018-19.

#### **6. DEVELOPMENT IN HUMAN RESOURCES:**

The Company considers its employees as its main assets. The management believes in the philosophy of the development of the Company with the development of its employees. Proper environment of work, all necessities and their safety is looked after. The well-being of its employees is always a priority to the company. The employees are given proper guidance and training to execute their tasks. Hence, higher degree of work satisfaction is enjoyed by the employees of the company.

**7. ENVIRONMENT, HEALTH & SAFETY (EHS)**

The Company commits to ethical and sustainable operation in all business activities. Company maintains and implements an Environmental Management System (EMS) for meeting the purpose of organization's policy and objectives regarding environment. The aims of the system is use of processes, practices, techniques, materials, products, services or energy to avoid, reduce or control the creation, emission or discharge of any type of pollutant or waste, in order to reduce adverse environmental impacts. Adequate Occupational Health & Safety Management System is adopted by the Company for ensuring the conformance to the Occupational Health & Safety Management System, legal & statutory requirements, continual improvement and satisfaction of interested parties (i.e. customers, suppliers, employees and public).

**8. CAUTIONARY STATEMENT:**

No reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions, predictions etc. may constitute "forward looking statements" contained herein. Certain statements contained in this document may be statements of future expectations, forecasts and other forward-looking statements that are based on management's current view and assumptions. Such statements are by their nature subject to significant uncertainties and contingencies and the actual results, performance or events may differ materially from those expressed or implied in such statements. Readers are cautioned not to place undue reliance on any forward looking statement.

**Date: September 03, 2019**

**Place: Ahmedabad**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**Sd/-  
DHARAMJIT MORI  
WHOLE TIME DIRECTOR & CFO  
DIN: 08038027**

**Sd/-  
VIKRAM DESAI  
DIRECTOR  
DIN: 08031739**

# **SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2019**

***[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]***

To,  
The Members,  
**Sun Retail Limited**  
**213/214, Phase-II GIDC,**  
**Naroda, Ahmedabad 382330, Gujarat**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sun Retail Limited (CIN: L51909GJ2007PLC050974) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (upto 10th November, 2018) and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (with effect from 11th November, 2018);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period)**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)** and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (upto 10th September 2018) and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (with effect from 11th September 2018); **(Not Applicable to the Company during the Audit Period)**
- (v) We have relied on the representation made by the Company, its Officers and on the reports given by designated professionals for systems and processes formed by the

Company to monitor and ensure compliances under other applicable Acts, Laws and Regulations to the Company.

(vi) As declared by the Management, at present there is no law which is specifically applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with Stock Exchanges read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that:**

Board of Directors of the Company is not duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

*The Company is yet to appoint internal auditors as specified under the provisions of Section 138 of the Companies Act, 2013*

*A temporary non-compliance in composition of Board of Directors regarding appointment of Chief Financial Officer for interim period of 5 months under the provision of Section 203 of the Companies Act, 2013*

*The Company yet to pay Income Tax dues for the Assessment year 2018-19 as per Income Tax Act, 1961.*

*The Company yet to pay Stamp Duty on Allotment of Shares in Initial Public Offer (IPO).*

*The Company has failed to comply with the provisions of Section 134 of the Companies Act, 2013.*

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions in the Board is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the Audit period the Company has no specific events/actions having a major bearing on the Companies Affairs in pursuant of the above referred Laws, Rules, Regulations, Guidelines, Standards etc.

**We further report that** the company has listed its shares on BSE SME Platform with effect from 16<sup>th</sup> October, 2018.

**Place:** Ahmedabad

**Date:** 03.09.2019

**For, Rohit Periwal & Associates  
Company Secretaries**

**Rohit Periwal  
Proprietor  
ACS No.: 52504  
C.P. No.: 22021**

To,  
The Members,  
Kemistar Corporation Limited,  
604, Manas Complex,  
Jodhpur Cross Road,  
Satellite, Ahmedabad-380015

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

**Place:** Ahmedabad  
**Date :** 03.09.2019

**For, Rohit Periwal & Associates**  
**Company Secretaries**

**Rohit Periwal**  
**Proprietor**  
**ACS No.: 52504**  
**C.P. No.: 22021**



# Sun Retail Limited

## Statutory Audit Report

1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019

**-: Auditors :-**  
**G M C A & Co.**  
(Chartered Accountant)

### ~: Board Of Directors :~

1. Tusharbhai Dineshbhai Donda
2. Janak Prakashbhai Patel
3. Jalpaben Dilipbhai Dholakiya
4. Vikram Ishvarbhai Desai
5. Dharamjit Bhupatsinh Mori

### ~: Registered Office :~

213/214, Phase-II GIDC, Naroda  
Ahmedabad GJ 382330 IN



## **Independent Auditor's Report**

### **To the Members of Sun Retail Limited**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of **SUN RETAIL LIMITED** ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2019 the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the

Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2019;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014), together with the early adoption by the Company of Accounting Standard (AS) 30 Financial Instruments, Recognition and Measurement, effective April 1, 2007, and the consequential limited revisions as has been announced by the Institute of Chartered Accountants of India to certain Accounting Standards, as stated in Note 2 (a) and 38.
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

iii. There is no amount required to be transferred, to the investor's education & Protection Fund by the Company.

**For, G M C A & Co.**  
Chartered Accountants  
FRN: 109850W

**Sd/-**  
**CA. Mitt S. Patel**  
(Partner)  
Membership No. 163940

**Place:** Ahmedabad

**Date:** 29/05/2019

## **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **M/S. Sun Retail Limited** (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation

of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019.

**Place:** Ahmedabad

**Date:** 29/05/2019

**For, G M C A & Co.**

Chartered Accountants

FRN: 109850W

**Sd/-**

**CA. Mitt S. Patel**

(Partner)

Membership No. 163940

**Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on 31<sup>st</sup> March, 2019**

**To,  
The Members of Sun Retail Limited**

**(1) In Respect of Fixed Assets**

(a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.

(c) Yes, The Title deeds of Immovable Properties are held in the name of the Company.

**(2) In Respect of Inventories**

As explained to us, the inventories (excluding inventories with third parties) were physically verified during the year by the Management at reasonable intervals.

**(3) Compliance under section 189 of The Companies Act, 2013**

The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

**(4) Compliance under section 185 and 186 of The Companies Act, 2013**

While doing transaction for loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

**(5) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed thereunder while accepting Deposits**

According to information and explanations given to us, the Company has not accepted any deposits from public during the year. In respect of unclaimed deposits, the Company has complied with the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder.

**(6) Maintenance of cost records**

The Company is not required to maintain cost Records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.

**(7) Deposit of Statutory Dues**

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Duty of customs, Duty of excise, Value added tax, Cess and any other material statutory dues with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amount payable, sales tax, service tax wealth tax, custom duty, excise duty, cess were in arrears, as at 31<sup>st</sup> March, 2019 for a period of more than six months from the date they become payable except Income Tax of Rs. 12,69,540/- of AY 2018-19, & interest thereon.

**(8) Repayment of Loans and Borrowings**

The company has not defaulted in repayment of dues to financial institution, bank or debenture holders.

**(9) Utilization of Money Raised by Public Offers and Term Loan For which they Raised**

Yes, The Company has raised Fund by way of Initial Public Offer (SME) and the same has been utilized for Business Purposes only.

**(10) Reporting of Fraud During the Year**

Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.

**(11) Managerial Remuneration**

Managerial Remuneration of Rs. 15,000 has been provided by the Company.

**(12) Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio**

As per information and records available with us The company is not Nidhi Company.

**(13) Related party compliance with Section 177 and 188 of companies Act – 2013**

Yes, All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

**(14) Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures**

According to the information and explanations given to us and on the basis of our examination of the record of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.



**(15) Compliance under section 192 of Companies Act – 2013**

The company has not entered into any non-cash transactions with directors or persons connected with him.

**(16) Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934**

The company is not required to be registered under section 45-IA of the Reserve Bank of India Act.

**For, G M C A & Co.**  
Chartered Accountants  
FRN: 109850W

Sd/-  
**CA. Mitt S. Patel**  
Partner  
Membership No. 163940

Place: Ahmedabad  
Date: 29/05/2019

**SUN RETAIL LIMITED**  
BALANCE SHEET AS AT 31/03/2019

Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
<b>I. Equity &amp; Liabilities</b>			
<b>1. Share Holders' Fund</b>		<b>168,108,671</b>	<b>71,124,934</b>
(a) Share Capital	1	96,980,000	53,000,000
(b) Reserve & Surplus	2	71,128,671	18,124,934
<b>2. Noncurrent Liabilities</b>		<b>27,409,944</b>	<b>38,708,220</b>
(a) Long term borrowing	3	27,376,400	38,655,100
(b) Deferred tax liabilities (Net)		33,544	53,120
(c) Other Long term Liabilities		-	-
(d) Long Term Provisions		-	-
<b>3. Current Liabilities</b>		<b>31,333,389</b>	<b>16,899,366</b>
(a) Short Term Borrowings		-	-
(b) Trade Payables	4	30,005,813	14,868,950
(c) Other Current Liabilities	5	223,063	63,403
(d) Short Term Provisions	6	1,104,513	1,967,013
<b>Total</b>		<b>226,852,004</b>	<b>126,732,520</b>
<b>II. Assets</b>			
<b>1. Non-Current Assets</b>		<b>73,060,639</b>	<b>72,508,485</b>
(a) Fixed Assets	7	<b>1,800,761</b>	<b>2,260,146</b>
(i) Tangible Assets		5,223,301	5,267,251
(Less) Depreciation Fund		(3,441,851)	(3,036,786)
(ii) Intangible Assets		47,190	37,190
(Less) Depreciation Fund		(27,879)	(7,509)
(b) Non-Current Investments		-	-
(c) Long Term Loans & Advances	8	27,248,339	27,248,339
(d) Other Non-Current Assets	9	44,011,540	43,000,000
<b>2. Current Assets</b>		<b>153,791,364</b>	<b>54,224,035</b>
(a) Inventories	10	10,692	14,039,235
(b) Trade Receivables	11	148,872,292	36,454,295
(c) Cash & Cash Equivalents	12	1,941,691	527,490
(d) Short term Loans & Advances	13	26,355	1,756,719
(e) Other Current Assets	14	2,940,334	1,446,296
<b>Total</b>		<b>226,852,004</b>	<b>126,732,520</b>

Contingent Liabilities & Commitments Nil

**For Sun Retail Limited**

Sd/- Sd/-  
**Vikram Desai** **Dharamjit Mori**  
 Director Whole Time Director & CFO

Place : Ahmedabad  
 Date : 29/05/2019

**For, G M C A & Co.**

**Chartered Accountants**  
 FRN : 109850W

Sd/-  
**CA. Mitt S. Patel**  
 Partner  
 Membership No. 163940

**SUN RETAIL LIMITED****STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON 31/03/2019**

Particulars		Note No.	For the Period ended on 31st March, 2019	For the Period ended on 31st March, 2018
I	Revenue From Operations	15	442,413,382.32	650,921,278.43
II	Other Income	16	86,216.00	2,297,035.00
III	<b>Total Revenue (I+II)</b>		<b>442,499,598.32</b>	<b>653,218,313.43</b>
<b>Expenses</b>			<b>For the Period ended on 31st March, 2019</b>	<b>For the Period ended on 31st March, 2018</b>
IV	Purchase of Stock in Trade	17	429,595,174	648,447,313
	Changes in Inventories	18	14,028,543	(2,516,930)
	Employee Benefit Expenses	19	777,540	1,536,120
	Finance Costs	20	18,867	15,323
	Depreciation & Amortisation Expenses	21	464,936	287,873
	Other Expenses	22	1,804,378	1,169,860
	<b>Total Expenses</b>		<b>446,689,437.44</b>	<b>648,939,559.12</b>
V	<b>Profit Before Exceptional &amp; Extraordinary Items &amp; Tax (III-IV)</b>		<b>(4,189,839)</b>	<b>4,278,754</b>
VII	Exceptional Items		-	-
VIII	<b>Profit Before Extraordinary Items &amp; Tax</b>		<b>(4,189,839)</b>	<b>4,278,754</b>
	Extraordinary Items		-	-
IX	<b>Profit Before Tax</b>		<b>(4,189,839)</b>	<b>4,278,754</b>
X	<b>Tax Expenses</b>			
	Current Tax/ Interest on Income Tax/ Deferred Tax		(19,576)	1,110,633
XI	<b>Profit/(Loss) for the period from Continuing Operations(IX-X)</b>		<b>(4,170,263)</b>	<b>3,168,121</b>
XII	Profit/(Loss) from Discontinuing Operations		-	-
XIII	Tax Expense of Discontinuing Operations		-	-
XIV	<b>Profit/(Loss) from Discontinuing Operations (after tax)(XII-)</b>		<b>-</b>	<b>-</b>
XV	<b>Profit/(Loss) for the Period(XI+XIV)</b>		<b>(4,170,263)</b>	<b>3,168,121</b>
XVI	<b>Earning Per Equity Share</b>			
	Basic		<b>(0.57)</b>	<b>1.48</b>
	Diluted		<b>(0.57)</b>	<b>1.48</b>

The Notes referred to above form an integral part of the Balance Sheet

For Sun Retail Limited

Sd/-  
**Vikram Desai**  
Director

Sd/-  
**Dharamjit Mori**  
Whole Time Director & CFO

For, G M C A & Co.  
**Chartered Accountants**  
FRN : 109850W

Sd/-  
**CA Mitt S. Patel**  
Partner  
Membership No. 163940

Place : Ahmedabad  
Date : 29/05/2019

**SUN RETAIL LIMITED**  
Notes to the Financial Statements

**1 Share Capital**

**1.1 Authorized, Issued, Subscribed and Paidup share capital**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised Share Capital</b>				
Equity Shares of Rs. 10 Each	10,000,000	100,000,000	10,000,000	100,000,000
<b>Total</b>	<b>10,000,000</b>	<b>100,000,000</b>	<b>10,000,000</b>	<b>100,000,000</b>
<b>Issued Share Capital</b>				
Equity Shares of Rs. 10 Each	9,698,000	96,980,000	5,300,000	53,000,000
<b>Total</b>	<b>9,698,000</b>	<b>96,980,000</b>	<b>5,300,000</b>	<b>53,000,000</b>
<b>Subscribed &amp; Fully Paid</b>				
Equity Shares of Rs. 10 Each	9,698,000	96,980,000	5,300,000	53,000,000
<b>Total</b>	<b>9,698,000</b>	<b>96,980,000</b>	<b>5,300,000</b>	<b>53,000,000</b>

**1.2 Share Holders Holding More than 5% Share**

Name of the Share Holders	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
TJR AGRO COM PRIVATE LIMITED	5,298,690	54.64	5,298,690	99.98
ASE CAPITAL MARKETS LIMITED	906,000	9.34	-	-

**1.3 Reconciliation of Share Capital**

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	No. of Shares	Amount	No. of Shares	Amount
<b>Equity Shares</b>				
<b>(Face Value Rs. 10.00)</b>				
Shares Outstanding at the Beginning of the Year	5,300,000	53,000,000	1,000,000	10,000,000
Shares issued during the year	4,398,000	43,980,000	4,300,000	43,000,000
Shares cancelled during the year	-	-	-	-
Shares Outstanding at the End of the Year	<b>9,698,000</b>	<b>96,980,000</b>	<b>5,300,000</b>	<b>53,000,000</b>

**2 Reserve & Surplus**

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Securities Premium Account</b>		
Opening balance	13,000,000	-
+/- Allotment of Shares	57,174,000	13,000,000
Closing Balance	<b>70,174,000</b>	<b>13,000,000</b>
<b>General Reserve</b>		
Opening balance	-	-
+ Adjustment in pursuant to the scheme of Demerger	-	-
Closing Balances	-	-
<b>Profit &amp; Loss A/c</b>		
Opening balance	5,124,934	1,956,813
+/- Transfer of Current Year Profit/Loss	(4,170,263)	3,168,121
(-) Adjustment of Depreciation	-	-
Closing balance	<b>954,671</b>	<b>5,124,934</b>
<b>Total</b>	<b>71,128,671</b>	<b>18,124,934</b>

**3 Long term Borrowing**

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Secured Loans</b>	-	-
<b>Unsecured Loans</b>		
Loan from Holding Company	150,000	-
Loan from Directors	-	27,635,100
Loan from Others	27,226,400	11,020,000
<b>Total</b>	<b>27,376,400</b>	<b>38,655,100</b>

**4 Trade Payables**

Particulars	As at 31st March, 2019	As at 31st March, 2018
For Goods (Incl. of Micro, Small & Medium Enterprises)	29,911,723	14,715,783
For Expense	94,090	153,167
<b>Total</b>	<b>30,005,813</b>	<b>14,868,950</b>

**5 Other Current Liabilities**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Statutory Dues	223,063	63,403
<b>Total</b>	<b>223,063</b>	<b>63,403</b>

**6 Short term Provisions**

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for Expense	47,000	139,500
Provision for Income Tax	1,057,513	1,827,513
<b>Total</b>	<b>1,104,513</b>	<b>1,967,013</b>

**8 Long term Loans & Advances**

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Deposits</b>	<b>500</b>	<b>500</b>
GIDC (AHD) Deposit	-	-
Telephone Deposit	500	500
NCDX Spot Exch. LTD	-	-
<b>Other Long Term Loans &amp; Advances</b>	<b>27,247,839</b>	<b>27,247,839</b>
Other Advances	314,772	314,772
Advance to Suppliers	26,608,067	26,608,067
Advance recoverable in Cash or in Kind	325,000	325,000
Advance to Brokers for F & O Transactions	-	-
<b>Receivable from Share holders</b>		
<b>Total</b>	<b>27,248,339</b>	<b>27,248,339</b>

## 9 Other Non-current Assets

Particulars	As at 31st March, 2019	As at 31st March, 2018
Rental Deposits	43,000,000	43,000,000
Securities Deposits	1,011,540	-
<b>Total</b>	<b>44,011,540</b>	<b>43,000,000</b>

## 10 Inventories

Particulars	As at 31st March, 2019	As at 31st March, 2018
Stock In Trade	10,692	14,039,235
<b>Total</b>	<b>10,692</b>	<b>14,039,235</b>

## 11 Trade Receivables

Particulars	As at 31st March, 2019	As at 31st March, 2018
Outstanding for less than 6 months from the due date Unsecured, considered good	-	23,859,349
Outstanding for more than 6 months from the due date Unsecured, considered good	148,872,292	12,594,946
<b>Total</b>	<b>148,872,292</b>	<b>36,454,295</b>

## 12 Cash & Cash Equivalents

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Balances with Banks</b>	<b>85,493</b>	<b>340,709</b>
In Current Account	85,493	340,709
<b>Cash on Hand</b>	<b>1,856,198</b>	<b>186,781</b>
<b>Total</b>	<b>1,941,691</b>	<b>527,490</b>

## 13 Short term Loans & Advances

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>Other Loans &amp; Advances</b>		

<b>Unsecured, Considered good</b>		
VAT Credit	21,676	21,676
Advances Recoverable in Cash or Kind	4,679	1,735,042
Other Advances	-	-
<b>Total</b>	<b>26,355</b>	<b>1,756,719</b>

#### 14 Other Current Assets

Particulars	As at 31st March, 2019	As at 31st March, 2018
Public Issue Exp	2,940,334	900,000
Advance for Issue Expenses	-	546,296
<b>Total</b>	<b>2,940,334</b>	<b>1,446,296</b>

#### 15 Revenue from Operations

Particulars	For the Period ended on 31st March, 2019	For the Period ended on 31st March, 2018
<b>(A) Sale of Products &amp; Sevices</b>	<b>443,650,843</b>	<b>649,762,500</b>
(1) Oil, Seeds & Tins	443,650,843	649,762,500
<b>(B) Profit/(Loss) on Commodities Trading on MCX</b>	<b>(1,237,460)</b>	<b>1,158,778</b>
<b>Total</b>	<b>442,413,382</b>	<b>650,921,278</b>

#### 16 Other Income

Particulars	For the Period ended on 31st March, 2019	For the Period ended on 31st March, 2018
Miscellaneous Income	-	-
Write-Off Income	86,216	2,296,961
Bank Interest	-	74
<b>Total</b>	<b>86,216</b>	<b>2,297,035</b>

#### 17 Purchase of Stock in Trade

Particulars	For the Period ended on 31st March, 2019	For the Period ended on 31st March, 2018
<b>(A) Purchase of Products</b>		
(1) Oil, Seeds & Tins	429,595,174	648,447,313
(2) Commodities Trading on MCX	-	-
<b>Total</b>	<b>429,595,174</b>	<b>648,447,313</b>

#### 18 Change in Inventory

Particulars	For the Period ended on 31st March, 2019	For the Period ended on 31st March, 2018
<b>(A) Opening Stock</b>	<b>14,039,235</b>	<b>11,522,305</b>
<b>Finished Goods</b>		
(1) Oil, Seeds & Tins	14,039,235	11,522,305
(2) Goods in Transit	-	-
<b>(A) Closing Stock</b>	<b>10,692</b>	<b>14,039,235</b>
<b>Finished Goods</b>		

(1) Oil, Seeds & Tins	10,692	14,039,235
(2) Goods in Transit		

<b>Total</b>	<b>14,028,543</b>	<b>(2,516,930)</b>
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## 19 Employee Benefit Expenses

Particulars	For the Period ended on 31st March, 2019	For the Period ended on 31st March, 2018
Salary & Wages	762,540	1,536,120
Director Remuneration	15,000	-
<b>Total</b>	<b>777,540</b>	<b>1,536,120</b>

## 20 Finance Costs

Particulars	For the Period ended on 31st March, 2019	For the Period ended on 31st March, 2018
Interest Expense	-	361
Bank Charges	18,867	14,962
<b>Total</b>	<b>18,867</b>	<b>15,323</b>

## 21 Depreciation & Amortization Expenses

Particulars	For the Period ended on 31st March, 2019	For the Period ended on 31st March, 2018
Depreciation	464,936	287,873
<b>Total</b>	<b>464,936</b>	<b>287,873</b>

## 22 Other Expenses

Particulars	For the Period ended on 31st March, 2019	For the Period ended on 31st March, 2018
Payment to Auditors *	17,500	35,000
Job Work Expenses	-	6,000
Laboratory Charges	-	-
Depository Fees	22,500	72,276
Advertisement Expenses	23,660	47,308
Annual Listing Fees	25,000	-
Application Fees	284,980	-
Brokerage Expense	-	1,281
Carrying Charges	-	25,600
Director Sitting Fees	96,000	-
Office Expenses	3,825	12,850
Interest to Income Tax	186,640	-
Rent	120,000	110,000
Repair & Maintenance	25,985	35,989
Stationery & Printing	37,094	8,780
Subscription & Membership Expense	200	-
Preliminary Expenses W/Off	791,334	225,000
Transportation Expenses	-	43,650
Legal & Professional Charges	134,300	515,778
Other Miscellaneous Expenses	35,360	30,348
<b>Total</b>	<b>1,804,378</b>	<b>1,169,860</b>

\* Payment to Auditors

For Audit Fees	17,500	35,000
For Others	-	-



**7 Fixed Assets**

Particulars	Gross Block			Depreciation				Net Block		
	As at 01-04-2018	Addition	Deduction	As at 31/03/2019	As at 01/04/2018	Depreciation Charge	Deduction	As at 31/03/2019	As at 31/03/2018	As at 31/03/2019
Plant & Machinery	4295091	-	-	4,295,091	2234431.89	375958	-	2610389.89	2060659.11	1684701.11
Car	535891	-	-	535,891	504750	4346	-	509096	31141	26795
AC	227020	-	-	227,020	142341.44	33,441	-	175782.44	84678.56	51237.56
Mobile	9500	-	-	9,500	7926.07	518	-	8,444	1573.93	1055.93
LED	-	5,550	-	5,550	-	1,083	-	1083	0	4467
Computer	150,249	-	-	150,249	107,836	29,220	-	137056	42413	13193
<b>Total Tangible Assets</b>	<b>5,217,751</b>	<b>5,550</b>	<b>-</b>	<b>5,223,301</b>	<b>2,997,285</b>	<b>444,566</b>	<b>-</b>	<b>3,441,851</b>	<b>2,220,466</b>	<b>1,781,450</b>
				1,781,450	19,311					

**2 Intangible Assets**

Particulars	Gross Block			Depreciation				Net Block		
	As at 01-04-2018	Addition	Deduction	As at 31/03/2019	As at 01/04/2018	Depreciation Charge	Deduction	As at 31/03/2019	As at 31/03/2018	As at 31/03/2019
Trademark	10,000	-	-	10,000	-	-	-	-	10000	10000
Software	37,190	-	-	37,190	7,509	20,370	-	27,879	29681	9311
<b>Total Tangible Assets</b>	<b>47,190</b>	<b>-</b>	<b>-</b>	<b>47,190</b>	<b>7,509</b>	<b>20,370</b>	<b>-</b>	<b>27,879</b>	<b>39,681</b>	<b>19,311</b>

**SUN RETAIL LIMITED**  
**CASHFLOW STATEMENT AS AT 31/03/2019**

Particulars	As at 31st March, 2019	As at 31st March, 2018
<b>A Cash flow from Operating Activities</b>		
Net Profit Before Tax	(4,189,839)	4,278,754
Adjustments for:		
Add Depreciation	464,936	287,873
Add Preliminary Expenses Written Off	791,334	225,000
Add Interest Expenses	-	361
Less Dividend Income	-	-
Less Adj. of Depreciation on sale of Assets	-	-
Less Short Term Capital Gain (Mutual Fund)	-	-
Less Profit on sale of Fixed Assets	-	-
Operating Profit / (Loss) before Working Capital Changes	<b>(2,933,569)</b>	<b>4,791,988</b>
Adjustments for:		
Increase/(Decrease) in creditors	15,136,862	(34,337,031)
Increase/(Decrease) in other current liabilities	159,660	33,167
Increase/(Decrease) in other Provisions	(92,500)	139,500
(Increase)/Decrease in debtors	(112,417,997)	31,479,990
(Increase)/Decrease in inventories	14,028,543	(2,516,930)
(Increase)/Decrease in other current assets	(2,285,372)	(1,671,296)
(Increase)/Decrease in Short Term Loan & Advances	1,730,363	(1,159,879)
<b>Cashflow generated from Operating Activities</b>	<b>(86,674,010)</b>	<b>(3,240,491)</b>
Income Tax Paid ( Net of Refund)	770,000	-
<b>Net Cashflow generated from Operating Activities A</b>	<b>(87,444,010)</b>	<b>(3,240,491)</b>
<b>B Cash flow from Investment Activities</b>		
Purchase of Fixed Assets	(5,550)	(1,398,973)
Sale of Fixed Assets	-	-
Sale of Investments	-	-
Purchase of Investments	-	-
Share Application Money Received Back	-	-
Dividend Income	-	-
<b>Net Cashflow generated from Investments Activities B</b>	<b>(5,550)</b>	<b>(1,398,973)</b>
<b>C Cash flow from Financing Activities</b>		
Short term borrowings	-	-
Share Alloted	101,154,000	56,000,000
Issue of Equity share	-	-
Interest Expenses	-	(361)
(Increase)/Decrease in other non-current assets	(1,011,540)	(43,000,000)
(Increase)/Decrease in Long term loans & advances	-	(300,000)
Increase/(Decrease) in non current liabilities & provisions	(11,278,700)	(8,552,400)
<b>Net Cashflow generated from Financing Activities C</b>	<b>88,863,760</b>	<b>4,147,239</b>
<b>Net Change in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>1,414,201</b>	<b>(492,224)</b>
Opening Cash & Cash Equivalents	527,490	1,019,714
<b>Closing Cash &amp; Cash Equivalents</b>	<b>1,941,691</b>	<b>527,490</b>

For Sun Retail Limited

Sd/-  
**Vikram Desai**  
Director

Sd/-  
**Dharamjit Mori**  
Whole Time Director & CFO

Place : Ahmedabad  
Date : 29/05/2019

For, G M C A & Co.

**Chartered Accountants**  
FRN : 109850W

Sd/-  
**CA. Mitt S. Patel**  
Partner  
Membership No. 163940

## **23. Significant Accounting Policies**

### **Company Overview**

Sun Retail Limited (“the company”) is a listed company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in the business of trading into refined/filtered edible oils. The company is listed on Bombay Stock Exchange.

### **Basis for Preparation of Financial statements**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India, on the basis of going concern under the historical cost convention and also on accrual basis. These financial statements comply, in all material aspects, with the provisions the Companies Act, 2013 (to the extent applicable) and also accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006, which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs.

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. All the divisions of the Company have normal operating cycle of less than twelve months, hence a period of twelve months has been considered for bifurcation of assets and liabilities into current and non-current as required by Schedule III to the Companies Act, 2013 for preparation of Financial Statements The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

### **Use of Estimates**

The preparation of financial statements is conformity with generally accepted accounting principles require management to make assumptions and estimates, which it believes are reasonable under the circumstances that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

### **Inventories**

The inventories as at year end have been taken, valued & certified by the Directors of the company. As informed by the Management, the valuation of the inventories has been made at Cost (FIFO Method).

### **Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit or (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

### **Fixed assets**

Fixed Assets are stated at cost less depreciation. Cost comprises of cost of acquisition and any attributable cost of bringing the assets to the condition for its intended use. Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds

and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

### **Depreciation and Amortization**

Depreciation on fixed assets is calculated on a WDV basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013, whichever is higher. The company has used the following useful life of assets to provide depreciation on its fixed assets.

<b>Asset</b>	<b>Useful Life</b>
Computer	3 Years
Office equipment	5 Years
Factory building	30 Years
Vehicle	10 Years
Software	3 Years

### **Impairment of assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been any change in the estimate of recoverable amount.

### **Revenue Recognition**

The principles of revenue recognition are given below:

- General systems of accounting is mercantile, accordingly the income/expenditure are recognized on accrual basis on reasonable certainty concept.
- Sales of goods traded accounted net off Indirect Taxes as applicable.
- Dividend income is recognized when right to receive payment is established.

### **Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Liabilities which are of contingent nature are not provided but are disclosed at their estimated amount in the notes forming part of the accounts.

### **Investments**

Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are measured at cost or market value whichever is lower, determined on an individual investment basis. Long Term Investments are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary.

### **Event occurring after the Balance Sheet Date**

No significant events which could affect the financial position as on 31<sup>st</sup>March, 2019, to a material extent have been reported by the management, after the Balance Sheet date till the date of Annual General Meeting of Holding Company M/s TJR Agrocom Pvt. Ltd.

### Prior period Items

Prior period expenses/income is accounted for under respective heads. Material items, if any, are disclosed separately by way of note.

### Preliminary Expense

Preliminary expenses as well as Pre - Operative expenses have been written off 1/5<sup>th</sup> in the period from 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019.

### Earning Per Share

The earning considered in ascertaining the Company's Earnings Per Share (EPS) comprises the net profit after tax. The number of shares used in computing Basic and diluted EPS is weighted average number of shares outstanding during the year as per the guidelines of AS-20 and calculation of EPS is shown in notes to account.

## 24. Notes on Accounts

### ➤ Contingent Liabilities

According to the information & explanation provided by the company, there is no liability of Contingent nature was outstanding as at 31<sup>st</sup> March, 2019.

### ➤ Capital Expenditure Commitments: Nil

### ➤ Related Party Transactions:-

As per Accounting Standard (AS -18) issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties are given below:

List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name	Relationship
1	Shri. Dhiren K Thakkar	Director upto 18 <sup>th</sup> October, 2017
2	Shri. Jaysheel Thakkar	Director of Holding Company
3	Kanel Industries Limited	Related party by virtue of Director (Mr. Dhiren Dhakkar)
4	TJR Agrocom Private Limited	Holding Company

### ➤ Transactions with Related Parties

Sr. No.	Party	Name	Rs. In Lakhs	
			2018-19	2017-18
1	Dhiren K Thakkar	Loan Accepted	19.38	107.31
		Loan Repaid	286.17	160.93
2	TJR Agrocom Private Limited	Loan Accepted	0.50	1.00
		Loan Repaid	Nil	Nil
3	Jaysheel Thakkar	Loan Accepted	195.013	6.50
		Loan Repaid	31.50	Nil
4	Kanel Industries Limited (Debtor)	Sales	2359.82	3668.92
		Receipt	1384.87	2301.94
		Purchase	176.58	2611.17

➤ **Payment to the Auditors**

Particulars	2018-19	2017-18
<b>Audit Fees</b>	17,500	35,000
<b>Others</b>	0	0
<b>Total</b>	<b>17,500</b>	<b>35,000</b>

➤ **Earnings per Share:-**

The earning considered in ascertaining the company's EPS comprises the profit available for shareholders i.e. profit after tax and statutory/regulatory appropriations. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year as per the guidelines of AS-20 (Kindly verify the Profit & Loss Account for Details).

➤ **Others**

- In opinion of the management of the company, all loans, advances and deposits are recoverable in cash or kind for value to be received for which no provision is required.
- Confirmations of the concerned parties for the amount due to them and/or due from them as per accounts of the company are not received. Necessary adjustments, if any, will be made when accounts are reconciled or settled. Balance of sundry debtors and creditors, loans and advances accepted and given in the balance sheet are subject to confirmation.
- Ageing bifurcation in case of Sundry Debtors was not possible so we have on random basis verified the ledgers and accordingly shown the bifurcation of Sundry Debtors receivable to satisfy more than six months & less than six months criteria.
- The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

**For, Sun Retail Limited**

**For, G M C A & Co.**

Chartered Accountants  
FRN: 109850W

Sd/-  
**Vikram Desai**  
Director

Sd/-  
**Dharamjit Mori**  
Whole Time Director & CFO

Sd/-  
**CA. Mitt S. Patel**  
(Partner)  
Membership No. 163940

**Place:** Ahmedabad  
**Date:** 29<sup>th</sup> May, 2019



CIN: L51909GJ2007PLC050974

E-MAIL: sun\_retail@yahoo.com

**ATTENDANCE SLIP**

Regd. Folio No.	
No. of Shares held	
Name and Address of the First Shareholder IN BLOCK LETTERS)	
Name of the Joint holder (if any)	

I/we hereby record my/our presence at the 12<sup>th</sup> Annual General Meeting of the Members of **Sun Retail Limited** held on Saturday, September 28, 2019 at 10:00 A.M. at the registered office of the Company situated at 213/214, Phase-II GIDC, Naroda, Ahmedabad-382330, Gujarat.

\_\_\_\_\_  
**Member's/Proxy's Name in Block Letters**

\_\_\_\_\_  
**Member's/Proxy's Signature**

**Notes:** Please fill up this attendance slip and hand it over at the entrance of the venue of meeting.

-----Please tear here-----



# Sun Retail Limited

CIN: L51909GJ2007PLC050974

E-MAIL: sun\_retail@yahoo.com

## PROXY FORM

(Form No. MGT-11 - Pursuant to section 105(6) of the Companies Act, 2013 Rules made there under)

Name of the member(s)	
Registered Address	
E-mail Id	
Folio No/Client Id	

I/We, being the member (s) of.....shares of the above named company, hereby appoint

- Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him
- Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 12<sup>th</sup> Annual General Meeting of the Members of **Sun Retail Limited** held on Saturday, September 28, 2019 at 10:00 A.M. at the registered office of the Company situated at 213/214, Phase-II GIDC, Naroda, Ahmedabad-382330, Gujarat or any adjournments thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
<b>Ordinary Businesses</b>				
1.	To receive, consider and adopt the audited Balance Sheet as at 31st March 2019, the Statement of Profit and Loss for the year ended on that date together with the schedules thereon, along with the reports of the Board of Directors and Auditors thereon.			
2.	To appoint a director in place of Mr. Vikram Desai (DIN: 08031739) who retires by rotation and being eligible offers himself for re-appointment.			
<b>Special Business</b>				
3.	Approval of appointment and its terms & conditions of Mr. Nalin Johari (PAN: ACCPJ5874H) as Manager of company			

Signed this.....day of.....2019

Affix  
Revenue  
Stamp of  
Rs. 1/-

\_\_\_\_\_  
Signature of  
shareholder

\_\_\_\_\_  
Signature of Proxy  
holder(s)

### Note:

- This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the 12<sup>th</sup> Annual General Meeting (on or before September 26, 2019 at 10:00 a.m.)
- It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.



**Form No. MGT- 12**  
**Polling Paper**

*[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]*

<b>Name of the Company: SUN RETAIL LIMITED</b> <b>Registered Office: 213/214, Phase-II GIDC, Naroda Ahmedabad-382330, Gujarat.</b> <b>CIN: L51909GJ2007PLC050974</b>				
S No	Particulars	Details		
1.	Name of the first named Shareholder (In Block Letters)			
2.	Postal address			
3.	Registered Folio No/*Client ID (*applicable to investors holding shares in dematerialized form)			
4.	Class of Share	Equity Shares		
5.	Number of Shares			
I hereby exercise my vote in respect of Ordinary/Special Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:				
No.	Item No.	No. of Shares held by me	I assent to the resolution	I dissent from the resolution
1.	To receive, consider and adopt the audited Balance Sheet as at 31st March 2019, the Statement of Profit and Loss for the year ended on that date together with the schedules thereon, along with the reports of the Board of Directors and Auditors thereon.			
2.	To appoint a director in place of Mr. Vikram Desai (DIN: 08031739) who retires by rotation and being eligible offers himself for re-appointment.			
3.	Approval of appointment and its terms & conditions of Mr. Nalin Johari (PAN: ACCPJ5874H) as Manager of company			
<b>Place:</b> Ahmedabad <b>Date:</b> 28 <sup>th</sup> September, 2019 <p style="text-align: right;"><b>(Signature of the shareholder*)</b></p>				

(\*as per Company records)

## ROUTE MAP TO THE VENUE OF 12<sup>th</sup> ANNUAL GENERAL MEETING

